

State of South Dakota

SEVENTY-SECOND SESSION LEGISLATIVE ASSEMBLY, 1997

951A0376

SENATE BILL NO. 225

Introduced by: Senators Whiting, Dunn (Rebecca), Everist, Ham, and Vitter and
Representatives Apa, Brown (Jarvis), Crisp, Duenwald, Duniphan, Jaspers,
Jorgensen, Kooistra, Matthews, Pummel, Van Gerpen, and Weber

1 FOR AN ACT ENTITLED, An Act to refer to a vote of the electors of this state at the next
2 general election a proposal to impose an additional tax upon the sale of alcoholic beverages
3 and to dedicate the revenue to the special county fund and the property tax reduction fund.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

5 Section 1. That the following Act be enacted by the South Dakota legislative assembly and
6 referred to the vote of the electors of the state at the next general election to be held in the year
7 1998 for their approval:

8 FOR AN ACT ENTITLED, An Act to impose an additional tax on the sale of alcoholic
9 beverages and to dedicate the revenue to the special county fund and the property tax
10 reduction fund.

11 BE IT ENACTED BY THE PEOPLE OF THE STATE OF SOUTH DAKOTA:

12 Section 1. There is imposed on manufactures and wholesalers of alcoholic beverages
13 a tax computed on distilled spirits, wines, and malt beverages purchased, received, or
14 imported from a distiller, manufacturer, or foreign wholesaler for sale to a retailer. The tax
15 imposed by this section is in addition to any other tax imposed. The tax rate for each type

of alcoholic beverage is:

- (1) Distilled spirits, as defined in subdivision 35-5-3(5), \$0.05 per ounce;
- (2) Wines, as defined in subdivisions 35-5-3(2), (3), and (4), \$0.014286 per ounce;
- (3) Malt beverages, as defined in subdivision 35-5-3(1), \$0.004167 per ounce.

Section 2. The Department of Revenue shall administer the tax provided for in section 1 of this Act and shall conform to the administration of the occupation tax imposed under chapter 35-5. The department shall prescribe forms and promulgate rules pursuant to chapter 1-26 for the making of returns and for the ascertainment, assessment, and collection of the tax. The department shall keep full and accurate records of all moneys received and deposited by the department under this Act.

Section 3. Fifty percent of the moneys received and collected by the Department of Revenue, pursuant to this Act, shall be deposited to the property tax reduction fund. The secretary of revenue shall remit the remainder to a special county fund which is established in the state treasury. The secretary of revenue shall send each county an amount equal to one-half of the balance in the special county fund times the ratio of assessed valuation of the county to the assessed valuation of the state, plus one-half of the balance in the special county fund times the ratio of population of the county to the population of the state. The secretary of revenue shall base the allocation on figures contained in the most recently published annual statistical report of the Department of Revenue and the decennial census of the United States Department of Commerce, Bureau of the Census.

Section 4. The Department of Revenue shall make payments to each county auditor from the special county fund not later than November first, February first, May first, and August first of each year.

Section 5. The payments received by the counties from section 4 of this Act shall be deposited in a special law enforcement fund and the revenue shall be used for jail, law

1 enforcement, and court expenses. The board of county commissioners shall adopt a resolution
2 establishing a means of distributing the revenue among county law enforcement agencies within
3 the county.